

ISSUANCE OF A CONSTRUCTION PERMIT )  
TO UNICOM POWER HOLDINGS, INC., ) File #659-99  
NORTH CHICAGO, TO CONSTRUCT AN )  
ELECTRICAL GENERATION FACILITY. )

REPORT OF PROCEEDINGS taken at the hearing of the  
above-entitled matter, held at 1717 17th Street, North  
Chicago, Illinois, before Hearing Officer John Williams,  
reported by  
Janice H. Heinemann, CSR, RMR-CRR, a notary public within and  
for the County of Du Page and State of Illinois, on the 20th  
day of December, 1999, commencing at the hour of 7:00 p.m.

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EXHIBITS

(No exhibits marked.)

(Gavel sounded at 7 p.m.)

. HEARING OFFICER WILLIAMS: Let the record show that this is a public hearing before the Illinois Environmental Protection Agency in the matter of Proposed Issuance of a Construction Permit to Unicom Power Holdings, Incorporated, North Chicago, to Construct an Electrical Generation Facility.

Good evening, ladies and gentlemen. Welcome to this hearing. My name is John Williams, and I'm the hearing officer for these proceedings. I will introduce the other members of the Illinois Environmental Protection Agency, Illinois EPA, staff at the conclusion of this statement.

This hearing is being held by the Illinois EPA's Bureau of Air, or otherwise called BOA, Permit Section for the purpose of providing an opportunity for the public to understand and comment on the issuance of a proposed construction permit to Unicom Power Holdings, Incorporated, otherwise called Unicom, facility located at 501 Foss Park Avenue, North Chicago, Illinois, to construct an electrical generating facility which will include six gas turbines used to generate 294 megawatts of electricity.

The hearing is being held under the provisions of the Illinois EPA's "Procedures for Permit and Closure Plan Hearings," 35 Illinois Administrative Code, part 166. Copies of these procedures can be obtained from me upon request.

After the presentation by the Illinois EPA's Bureau of Air staff, who will describe the permit, and a presentation by Unicom, and the public question period, any person who wishes to make oral comments, that is, testify, may do so as long as the statements are relevant to the issues which have been addressed at the hearing, and they have indicated that they wish to comment on their registration card.

Persons asking questions or making comments will initially be limited to five minutes until everyone who wishes to ask questions or make comments has had a chance to speak. If you have lengthy comments to make, please submit them in writing before the close of the comment period, and I will

exhibits. There are also public comment forms at the registration table for your convenience if you wish to use these. Otherwise, comments written on standard 8 1/2- by 11-inch paper will be acceptable.

A 30-minute question period will be allowed after the Illinois EPA's and Unicom speakers have made their presentations. The hearing officer may limit the number of questions per person until everyone has had a chance to speak.

This question period may be extended, if necessary, by the hearing officer. Also a further question period may be allowed after all the public comments have been made. That's if time permits.

Those persons asking questions or making comments will, first, please state their name, association or organization that they represent for the hearing record. And if you are representing yourself only, you can state that you are an interested citizen or area resident.

Questions asked of speakers must, firstly, be framed as a question; second, relevant to the subject presented; and third, not repetitious. Arguing or dialogue with any speaker will not be allowed. Questions must be directed to the hearing officer, that is, myself; and I will then direct the speaker to respond as necessary.

The Illinois EPA will listen to all relevant comments, accept all relevant documents or data as exhibits into the hearing record. Once the hearing is adjourned today, I will hold the hearing record open until January the 4th, the year 2000. During this time, all relevant comments, documents or data will be accepted and entered into the hearing record as exhibits.

Please send all written comments, documents or data to Mr. Brad Frost, Community Relations Coordinator, Illinois Environmental Protection Agency, Bureau of Air, Division of Air Pollution Control Permit Section, 1021 North Grand Avenue East, Post Office Box 19506, Springfield, Illinois, 62794 -9506. And his phone number is area code 217-782-2113.

His address appears on the hearing agenda that you probably

Written comments need not be notarized as to the facts asserted. It should be postmarked on or before midnight January the 4th, year 2000.

Copies of the hearing agenda and public comment forms are available for your information at the registration area.

Anyone who fills out a registration card, that is one of these cards here -- and I hope we have all filled them out -- will receive a copy of the Responsiveness Summary, that is the Agency's response to public comments and final decision when this document becomes available.

Please check the box on the registration card if you wish to make oral comments. I hope you all have.

If you wish to make oral comments but have a time constraint, please let the Agency staff at the registration table know; and I will endeavor to call upon you to testify as early as possible. Right now I have received two comments here. And I will inquire when we call you up for comments if anybody has a time constraint.

If you require any further information after this hearing is over, please contact me at telephone number 217-782-5544 or Brad Frost at 217-782-2113. The telephone number for anyone who is hearing impaired, that's the TTD number, is area code 217-782-9143; and we will be glad to assist you.

Because a verbatim record of this hearing is being made, I would request that you keep conversation and noise levels to the minimum so that the court reporter can hear and transcribe the proceedings. If you have a foreign name or hard to pronounce name, please spell it for the court reporter. And please don't take offense if the court reporter asks you to repeat something that you have said. We are trying to get an accurate record here, and her job is to make and produce a good transcript that will accurately portray what you have said.

On behalf of Director Thomas V. Skinner, the Illinois EPA Bureau of Air staff, and myself, I wish to thank you for attending and your participation at this hearing.

have said, my name is John Williams. I'm the hearing officer.

And on my right is Mr. Manish Patel. Mr. Patel. He is the Bureau of Air Permit Section Permit Reviewer for this application. And on his right is Mr. Chris Romaine. He's also Bureau of Air Permit Unit, and he's the Manager of the Utilities -- I beg your pardon -- Permit Section, Manager of the Utilities Unit. And the gentleman sitting at the table there at the registration area is Mr. Brad Frost, and he's the Community Relations Officer for the Bureau of Air.

At this time I'm going to ask Mr. Chris Romaine to make his presentation regarding the permit.

Mr. Romaine.

MR. ROMAINE: Good evening. I simply want to make two general points as background to tonight's hearing before I turn the microphone over to Mr. Patel. My first point is we do care about public comments. You may wonder why we are holding a public hearing tonight to get comments since we have already prepared a draft permit for the proposed project. At a very basic level, this is the process set forth by applicable rules. It allows public input before the Agency takes final application or takes final action on the application for the proposed facility. More fundamentally, however, the preparation of a draft permit is important because it means that we have based on our review of a particular application found that a project is entitled to a permit. This should stimulate input on the project from people who are concerned about it and focus public attention on aspects of a proposed project that are within our jurisdiction. Certainly public comments on relevant issues can affect the nature of the permit that would be issued and in a number of cases public comments have caused the Agency to reevaluate its position so that an application has been denied. The bottom line, we care about your comments and they can affect the outcome.

My second point, however, is to remind you that we are a nation of laws and rules. The Illinois EPA has a very specific role in the permitting of the proposed facility. Our

state and federal environmental laws and rules. In particular, the application we are here to discuss tonight addresses air pollution aspects of Unicom's proposed North Chicago power project. That is it addresses its emissions and its effect on air quality. The Agency's action in this matter is not intended to nor can it legitimately address other aspects of proposed facility. It especially includes aspects of the facility that are subject to the jurisdiction of the City of North Chicago.

The further point I would like to make, therefore, is that comments that are relevant to our role in the project is what is important. So we are looking for comments on air pollution aspects of the facility if at all possible because that's what is the subject of our jurisdiction. With that background out of the way, can you take over, Mr. Patel.

MR. PATEL: Yes. Thank you, Chris.

Good evening, ladies and gentlemen. My name is Manish Patel, and I am a Permit Engineer in the Bureau of Air. I would like to give you a brief description of the project.

Unicom Power Holdings has requested a permit for an electric generation facility in North Chicago. The facility would use two turbines to generate up to 78 megawatt of electricity. Due to financial considerations, Unicom has changed its proposal at this time from construction of six turbines to only two turbines. The facility is designed to function as a peaking power station to generate electricity in the peak demand periods and at other times when other power plants are not available due to scheduled or unexpected outages.

The facility will only burn natural gas, which is the cleanest commercially available fuel. The emissions of the facility are well controlled. The nitrogen oxide emissions will be controlled with dry low NOx combustors or water injection. The NOx emissions will be much less than the USEPA's New Source Performance Standards for the turbines.

The project is not considered a major source because of the permitted emissions of pollutants from this facility

are not major, an air quality study is not required by applicable rules. However, an air quality study was performed by the Illinois EPA because of possible public concern to determine any impacts to air quality from the project. The result of the study indicated that air quality would readily comply with ambient standards.

The Illinois EPA has reviewed the materials submitted by the Unicom and has determined that the emissions from project will comply with applicable state and federal standards.

In closing, the Illinois EPA is proposing to grant a construction permit. We welcome any comments or questions from the public on our proposed action. Thank you.

HEARING OFFICER WILLIAMS: Thank you very much, Mr. Patel.

At this time I would like to introduce the Unicom Power Holdings, Incorporated, spokesperson, Mr. Gregory Martinsen. He's the vice president of Unicom. Mr. Martinsen.

MR. MARTINSEN: Good evening. Maybe I could just describe for you who Unicom Power Holdings is to start with because many of you may not have heard of us before. We are a relatively new agent of Unicom Corporation, an affiliated company, that was formed on the unregulated side of Unicom's business activities. Our sister company you may be very familiar with, Commonwealth Edison. Commonwealth Edison is a company that exists on the regulated side of Unicom Corporation's business activities. Unicom Power Holdings was formed relatively recently, within the last year or so. And our mission is to build least-cost power generation. And by that I mean power production facilities that can compete in the new deregulated marketplace.

The proposal that we have here before the IEPA to grant a construction permit for a facility to be located here in North Chicago is one that we have spent a considerable amount of time and effort to research and try to make as environmentally acceptable as possible. The downscaling of

facility would remain within compliance with all the requirements, both of the IEPA and of the local community and zoning.

And with that, I volunteer myself here this evening to answer any questions that you all may have or to address any issues or other things that you might like to raise that I'm



## Comments and Questions

**what are the major and most toxic emissions that we are putting -- going to be putting into the air?**

MR. PATEL: The criteria pollutants that will be emitted are the nitrogen oxides, that will be the highest emissions from this project. It will be close to 99 tons per year. And then there will be carbon monoxide emitted, around 76 tons per year. And there will be particulate matter, under 10 tons per year will be emitted. And volatile organic materials or VOM will be close to under 3 tons per year that will be emitted from the project. And sulfur dioxide, SO<sub>2</sub> emissions, under 5 tons will be emitted.

**How do these compare to the state and federal guidelines? I mean what percentage are we talking about here? I mean is this 99 percent or 50 percent or 30 percent, or how close are we to getting up to the state and federal guidelines?**

What Mr. Patel described was the emission rates, the tons per year of emissions. That's what's coming out of the stack. What you are really asking then is what are the effects of emissions and how does the air quality look. And that really relates to the concentrations of air contaminants in the atmosphere. And that's where the modeling analysis that Mr. Patel referred to comes in. I guess I'm trying to think of a simple way to explain it.

The contaminant that Mr. Patel identified as being emitted in largest amounts is nitrogen oxides. That is a respiratory irritant in large concentrations. However, the concentration that the USEPA has determined is healthful or is the standard, the level within which they want to see the air quality is -- it's getting technical now -- about .05 ppm on an annual basis. That's the concentration.

Based on the information and in our very conservative modeling analysis, this project at the worst point of impact would contribute something on the order of maybe one percent

notable effect on ambient levels of nitrogen oxides in the air as we understand the basis of the analysis we have performed.

If a more rigorous analysis was performed, we might find out that it's half of one percent at that point of maximum impact. And that point of maximum impact is right next to the facility near the fence line. Again, it's a conservative evaluation. It certainly does not indicate an overall impact on the entire community.

Our concern about this project after having gone through this evaluation isn't so much for its local impacts, the local impacts do not pose any particular concern for nearby residents or the city. The concern is really a broader one, that this is another source of emissions. We need to know about it. We need to take it into consideration when we do our planning to address overall emissions. In particular, the effect of emissions of nitrogen oxides in forming ozone. And this is actually a relatively small source of nitrogen oxides compared to other electric utilities and other major sources of NOx, but it's certainly something we have to account for and have to address in our overall planning and inventory efforts.

I guess in terms of to provide a little bit more information, one of the key pieces of information we do have with us tonight is copies of our annual air quality reports. The nearest nitrogen oxide monitor we have is up in Zion, but that would generally be representative of the basic levels of air quality in this area. And again, as I said, it shows that we are in attainment of the NOx air quality standard.

where this plant is to be located there are some residences in that area. What sort of noise levels are we talking about? And if you could break those down into laymen's terms as to, you know, compared to a train or compared to something else that I could understand because all this decibel stuff, you know, is only good if you can really imagine it.

Well, I agree with you. The decibel stuff is very difficult

One of the constraints that the -- serious constraints that we faced in coming up with the design for this particular facility was the issue of noise. And originally we had anticipated that we would construct maybe two or three facilities within the ComEd service territory and that they would each be about 200 or 250 megawatts. And I think that's probably something close to what was reported in the Tribune article that first came out about this particular project.

When the engineering team that we had working on the design of the project took a very careful look at some of the sensitive uses and sensitive points of concern in the surrounding community, one of the critical issues that came up was the issue of noise. And as we got into the process of modeling to see what the noise impact would be at those sensitive receptors, the retirement building that's very near the train station there, as we got into that, we discovered through the modeling that, in fact, we probably did comply right at the corner of that building that is closest to the facility, but that it was marginal. The compliance was a theoretical one, but one that because of the vagaries of modeling and the sort of mumbo jumbo the modeling people go through, we weren't sure that we would be able to reproduce in reality.

And that was one of the reasons, frankly, that we decided to downscale the size of the facility to about one fourth of the size that we had originally contemplated, so that there could be absolutely no issue with respect to sound either at the perimeter of the property or at any of those sensitive receptors that were around in the neighboring -- in the neighborhood that's adjacent to the train station.

Now, this is just, you know, my best sort of collection of listening to what 43 decibels sounds like. But the sound that's emitted from the facility probably is going to be significantly less than any of the sounds that are created by the train going by at the train station. But that's just the way my ear hears it, and my hearing might not

for me to translate it into an equivalent sound level that you and I could all agree to. And that's, frankly, why we probably arrived at decibels as a way to do that. Because it's something that can be measured and is determinable. But what I can assure you is that the facility will be in compliance with all of the noise requirements, and we believe significantly below them because of the downsizing that we have done at the facility.

What sort of -- And I'm talking from experience, we have seen, you know, people come through North Chicago and they have presented us with a plan. And then they come back two years from now and say, "You know, this isn't quite big enough for us, now we want to go," you know, "we want to double it. We want to triple it." What sort of assurances do we have that you won't get up to those levels that you are currently seeking and then create a problem for us after you have already got a foothold three, four, five, six, ten years from now? What can you tell us about that?

Addressing the issue of noise, I guess the simplest way I would answer it is that the noise regulations are very easy to enforce. And we certainly have individuals in our Agency to assist people in enforcing the noise regulations, but it involves simply getting the appropriate noise meter and expert taking appropriate readings. With that in hand, you can initiate an enforcement action and either require a company to take additional effort, pay compensatory damages, limit its operation.

One of the issues that certainly is relevant for these type of facilities is that we have different noise standards for daytime and nighttime conditions, that the nighttime conditions are designed to protect -- Basically it's the nuisance levels, make sure the people can sleep without having their sleep interfered with. And if necessary, you can simply work out a compromise arrangement that says because you can't comply with the noise standards at night this facility has to

sure.

I know this gentleman, and I trust them and they are around; but five or ten years from now they are not around. Okay. Somebody else comes around. And even though they can meet the noise standards, the noise standards for that neighborhood may still be too high. So they come back and they say, "Hey, I want to put in all the power I can put in here and the neighborhood be damned." What is my recourse as a city at that point in time? That's my question.

Because what they are doing now is a voluntary thing. They are voluntarily saying, "We are diminishing this sound level." And I have got a seniors building sitting right there. And I think that this thing at -- probably at the sound that they originally wanted might have been too loud. And that was the original concern that I had. So now do I have or does the City have any assurance that we can stop this from happening five, ten years from now if these two gentlemen aren't there; or there is somebody who doesn't have the same sort of concerns as we do? I don't know.

MR. ROMAINE: I guess it really depends what level of noise you are concerned about. If you are concerned about very low levels of noise that are in compliance with the noise limitations, you may have a difficult time. However, Illinois has a fairly stringent set of noise regulations. And you could enforce those at any time if this facility would not comply with them.

I guess the further point, though, is that we have fairly stringent noise standards in Illinois. These are not intended to protect the health and safety of individuals. They are supposed to protect the comfort and enjoyment of property of individuals, not interfere with their appropriate levels of enjoyment of outdoor activities, sleep, those sorts of activities. And in this case, because you will be talking about impact on a residential dwelling, that is the level of protection that this facility would have to provide; or it

corrective activities.

what is the estimated assessed value of the property for real estate purposes once you have completed your project?

If you mean the property specifically, the estimated value of the property is about \$1,200,000.

ou are talking about at project completion?

MR. MARTINSEN: Right. At project completion the real property on the site we have estimated to be somewhere between 6 and \$8 million. The personal property at the site will probably be a total of something in the 55 to \$65 million.

There has been some confusion with respect to the size of the facility, and we are concerned a little bit that the public has not been afforded the opportunity to completely understand the size differentials in that they were just recently described to some folks, perhaps they heard it just tonight, because the project summaries are still reflecting the larger facility, that being the six- turbine facility, up until last week, which was the last -- I was able to see the library version of the applications. It still reflected the larger facility.

I guess the comment and perhaps a question is does the Agency feel that the information has been disseminated to the point where the public has a complete understanding as to what the emissions will be from this facility as well as what the size and the contemplated facility is really represented as. One example is in the project summary we see that the NOx emissions are stated as 200 and some tons a year. And Manish pointed out tonight a different number, that's 99 tons a year.

So we are a little bit concerned that the public be afforded the proper opportunity to look at the exact application as well as any amendments and make those available to the public as well. If you want to respond --

our documents. We went out on public notice on really the application that was put before us at that particular time. What we see now is an application that, in fact, would be smaller in scale from our viewpoint with fewer emissions, fewer machines. So it's less than they have originally asked for. From our perspective, that is not a significant change.

And in fact, if we had issued a permit for this project that even had six turbines in it, if they had come in and simply built two turbines, that's something that we couldn't have objected to. We are not telling them how much they build.

We would probably issue a permit that they can build up to six turbines. They have been very forthright telling us as soon as they changed their mind that, in fact, it was only going to be two turbines. In that sense we are telling people something that gives again the worst case or the outer envelope of what this facility might entail.

what can you say will be the process by which the applicant will amend its final permit if the final permit that's issued by Illinois EPA has to be changed for some reason related to perhaps local issues or local building codes?

And I point this out because the way these are progressing, these peaker plants versus perhaps a waste transfer station or a landfill, is that the permit is being issued sometimes or in several instances recently before the public hearings at the local level are concluded or in some cases even started. So we are somewhat backwards from the traditional siting process whereby all of the public concerns are fleshed out and the applicant responds to those and then goes and seeks a permit from the Agency, where we are having the reverse occurring here. Perhaps you can comment on what the process would be for the applicant to amend this permit if necessary as a result of local conditions.

And I guess a very important point would be that our permitting does not supersede or alter any local requirements.

So that even if our permit allowed something that was then

Chicago, they wouldn't then still have that right because of our permit. To that extent, if there were some conflict of that sort Unicom could apply to us for appropriate revision of the permit to reflect the limitations that North Chicago had proposed on the facility. We would then develop a permit that appropriately incorporated those restrictions, provided, however, either Unicom was accepting of them or we could link them to the environmental laws and rules that are our basis for permit issuance. We might get into a situation where if Unicom was not willing to revise the permit that we would not be able to necessarily force things that were effective under your local jurisdiction to our permit. We have to go back to our state Environmental Protection Act. So there could be some disconnect there legally.

**Manish talked about Illinois EPA's modeling analysis that was done with respect to this application. Is that something that's available for public review either through a FOIA request or by deposition in the library or public repository?**

Yes. As a matter of fact, I have a few copies of the analysis, four or five copies. So anyone interested can get it from me.

**In that modeling that was conducted by the Agency, was there any site specific condition that was taken into account with respect to the receptor that Mayor Johnson indicated, the senior citizen home, some of the residents. Was that taken into account within your modeling?**

**And the second part of that, there is some tall structures on the Abbott property just north of this proposed facility, and those tall structures at times are considered in downwash in some of the modeling calculations in scenarios that were presented. If you could just comment on whether site specific conditions are taken into account on that model, I would appreciate it.**

The modeling was done, the basic screen three modeling. That



site specific in general concerning the worst case.

we know that there are two different turbines that were planned in the original six. And it sounds like in some of your comments, Mr. Martinsen, that's still looking at using the GE model which has kind of a water NOx treatment system that may be allowed under the permit to be turned off during some cold conditions. Can you maybe talk to your reasoning why you still need those two different types of turbines, if there is any rationale for that?

MR. MARTINSEN: Sure. Actually the mission to build this peaking capacity within Commonwealth Edison's service territory was one that was given to Unicom Power Holdings by the corporation. And the mission was established as recently as the end of August to build some capacity that would be available for June 1st of the year 2000. That was a very, very, very aggressive schedule, trying to start from scratch, find site locations, design facilities, purchase equipment, and have that equipment manufactured and shipped, constructed, concrete poured, equipment set, piping and electrical wiring completed and be ready to turn the facilities on by June 1st of 2000.

So in order to do that, what we did was in some cases we shopped around for the best equipment available that met all of those timing and design constraints. It wasn't by choice that we necessarily ended up with one dry low NOx combustor and one water-injected combustor. It was that that was available within the time frames required. And I would freely admit to you that if we had a better choice we probably would have made it. And the fact that one of them happens to have water injection won't preclude us from putting dry low NOx combustors on it when comes down to a major rebuild on the engine, which we probably would prefer. So the real issue was what was available in the time frames required. And these engines met many of the other constraints that we were looking for at the time. So it was just a decision that was made

of a compromise as most designs are.

I guess originally we were looking at buying six turbines, so five of the other type and five of the water type I guess was the breakdown in the original permit. Why not proceed with two I guess of the original five of the dry units? Is there a reason, that unit was already purchased or something?

The primary reason for staying with the GE engines was because of noise. We had purchased four Siemens Westinghouse 251 B-12s, 50-megawatt simple-cycle generating equipment. And we had purchased two GE frame 6 generators that are rated at about 38 megawatts each. The Siemens machines are terrible for noise. The GE machines are reasonably quiet for that size machine. When we ran into the noise difficulties in the design process, we opted, because we have been looking at a number of other siting locations, to relocate those Westinghouse machines in another location that would -- that had fewer sensitive uses around them. So that the cost of making those engines quieter and adapting them to a better use made better business sense, and it made better sense in terms of the permitting process and the impact it would have on the community. That's how we ended up with the two frame 6 engines. It just happened to turn out that one has a dry low combustor and the other has water injection.

what standard for noise are we looking at for this plant? Is there a 60 dB level at the property line, or what standard would be within a residential setting? And then I heard a 43 decibel level. But I think that was the actual level, was it, that ComEd or Unicom came up with an actual dB level calculated for that?

for nighttime industrial noise to a residential receiver the approximate A-weighted average impact that's allowable is 51 decibels. And that's roughly equivalent to the noise levels perhaps in a business office. It's not a loud noise.

Unicom facility would meet those standards is what we are saying?

MR. MARTINSEN: Uh-huh.

That was nighttime. Could you tell us what the daytime decibels would be?

MR. ROMAINE: The average daytime decibel level was 61 decibels. My chart here is more or less correct, that's sort of something -- a quiet conversational speech.

But yet the public hearing is still scheduled at the original date. The public notice said we've seen that the application meets the federal standards before you scheduled the public hearing. But since you don't have an application that says two turbines, I don't know, which shell is the pea under here?

What are we talking about tonight, two, six? Is the modeling complete? And if, in fact, it had gone from two to four or two to five, what would trigger requiring a reapplication, a relook at this whole thing, rescheduling the public hearing?

MR. ROMAINE: Okay. There are a couple of questions in there. I hope I can cover them in pretty good order. The modeling analysis is not a required element of our review. We did this to address potential concerns. We went out to notice before that modeling analysis was conducted. Obviously, we started our modeling analysis with six turbines, as you said.

When we got word that, in fact, they were only going to go with two turbines, we then switched our review to go to simply evaluation of two turbines as that was the most accurate evaluation we then had about the scope of the project.

I think the further question you have asked is if they changed their mind and go back to more turbines. I think the way we presented tonight's hearing, it is a hearing for two turbines. And I think at this point we would have to consider it a significant change if they decide to go back to more

turbines, that would be another construction permit application; and we would have to go through the appropriate permitting procedure and, conceivably, could be meeting again in this gymnasium to discuss that addition to the permit.

**MS. ZINGLE:** So the permits you are going to issue, I assume you are going to issue, is going to be for two turbines?

The application we consider that we now have before us is an application for two GE turbines.

**One was how do you plan to deliver your product from -- along the grid, and where would that grid be presently located? Power grid.**

**MR. MARTINSEN:** Maybe I will just stand up and speak loudly. There is a substation that is located, a Commonwealth Edison substation, that is located just north of the site that is actually sort of inside the Abbott Laboratories facility. Our plan would be to tie the power connection from our facility across Foss Avenue and onto that substation on wires provided to us by Commonwealth Edison as they would with any other provider of this type.

**Then that would require a permit from the City to cross that Foss Park?**

**MR. MARTINSEN:** I believe so. Yes.

**There was a question about ice fog. What is the most negative thing about ice fog in the wintertime?**

**MR. MARTINSEN:** Well, I'm not sure that I'm qualified to answer that question. Ice fog is really a feature we have built in the permit just in case it happens. Ice fog is something that's been

operate during winter months that, in fact, the water that's injected can create a level of plume and smoke that can interfere with visibility and be dangerous to traffic. If by any strange circumstances that would ever happen in this case, even though we don't have Alaskan-type winters we want to make sure that the permit had the appropriate provision to allow them to stop the water injection which has been identified as the thing that is the additional cause of that ice fog. So basically this is just a safety measure that's in there because you have it in Alaska, and we want to make sure you get all the protections here from ice fog that people in Alaska get.

the City of North Chicago has been studying this whole concept, this peaker power plant, for three or four months now I would guess. And we've talked to representatives from Unicom as well as Commonwealth Edison. The City of North Chicago has taken absolutely no position on this until we find out enough information for ourselves. We have not and will not be influenced by either side of the issue until we in the City of North Chicago are satisfied that this is the right or the wrong thing for us. Then we will come out at that point in time with our official position. So we do want everybody in Lake County to know that we have watched this whole situation from afar, that we have had talks with the power providers as well; and we are very, very diligent in making our decision on which side that we stand on.

We have different concerns probably than Libertyville or wherever. The one thing that people are to understand about the City of North Chicago, we are, unlike Libertyville, we are an industrial sort of community. So if we have deemed that this peaker plant has a place in North Chicago, we are going to let them in with open arms. If we deem that it doesn't, then we are going to fight it to the hilt. So I do want to -- There are some things that, some possible advantages; but we also realize and we are very concerned that there may be some disadvantages as well.

Chicago has had with this project when it was presented to us, it came to us as a very grandiose sort of project. Many of you know that we are going to have a TIF district right in that area where this project is. They have not asked for any concessions as a result of it being a TIF district, but we kind of look at it as maybe being a vehicle to drive it. Now it does not have that financial appeal for us, but it may have some other advantages. But we have not made any sort of decision as to whether we will support or not support this facility. I just wanted to go on record as saying that for the City of North Chicago.

this particular hearing was orchestrated by whom? Who put this together?

MR. FROST: The Illinois Environmental Protection Agency.

MS. HARRIS: Did you promulgate this to the community? I'm just looking at the attendance here.

MR. FROST: We put it in the Waukegan News Sun three times. I can get the dates for you here in a second. And we also sent it to City officials within a three-mile radius of the facility. And we also sent it out to people that ask us to be notified of facilities of this type.

Will there be another hearing? Is this the only hearing that you are going to initiate or is the concern --.

MR. FROST: The Illinois EPA generally schedules just one hearing on a particular subject. If there are -- If you have questions, you can submit them to us in writing. Or if you have specific things you want to get addressed up front and then submit comments, call me up, I will do my very best to answer all your questions. And then you can submit things in writing.

MR. FROST: Yes. Pretty much, yes.

And Unicom is the parent company of ComEd, is that not correct?

MR. MARTINSEN: Unicom Corporation is the parent of Commonwealth Edison. Unicom Power Holdings is also an affiliated company of Unicom Corporation. So my company, Unicom Power Holdings, is a sister company of Commonwealth Edison.

Is Unicom going to be conducting other hearings or the concerned utility that wants to come in, the peaker that wants to come in?

I'm concerned about the peaker unit that wants to come into the City. Will they in fact -- Do you know, will they, in fact, be here having some type of a hearing in the community?

That would be totally up to the company. I mean it as to --

I mean officially for this permit, this is the Illinois EPA's hearing for this permit. Whether the company wants to meet with citizens on their own, that's something you would have to address to them. But officially from the Illinois Environmental Protection Agency standpoint, this is the hearing that we officially hold to address questions about the permits.

What I'm concerned with is that whether or not there is an attendance here that is large enough to address the concerns.

And then out of those who are represented here really how knowledgeable are we to ask the right questions. Now that, you know, I'm not sure who is the expertise out here in the audience. And I'm not sure, I mean who is the engineer, who is the environmental expert that can address questions to you that we can receive a laymen's answer on and so that we are

You are going to come in here, you are going to sit here for a couple of hours. And you are going to walk away saying I guess everything is okay or that they agreed to it, or we didn't hear any rebuttal. Or I'm not sure what's going to happen. And at the same time I'm just kind of concerned about the attendance here, and I'm also concerned about whether or not the correct questions are going to be asked as you being the overseer of protecting our community from pollutions and chemicals and 20 years down the road to birth defects and whatever else. I'm concerned about that.

Firstly, with respect to the attendance here, it's a pretty cold night tonight and probably some people may not have made it here. We certainly appreciate everybody who did come here tonight. And we try and publish these notices, as I say, in the press, in the newspaper at least three times on three consecutive weeks in a newspaper in the local circulation. We also try and send letters to those people who we know are directly interested in there, in the hearing matter. Also, to, as I say, state and local officials, state's attorney, county board chairmen, all these people get copies of this notice. The attorney general gets copies, the legislators get copies. So we do send those out. And to anybody else who is interested or who sends in their interest to be informed.

Now, if anybody wishes to be put on the Agency mailing list for future hearings, I will be glad to do that if you give me your name and your address. One of the things is after tonight you can still make your comments. And if you feel that after talking with your neighbors and friends you want to send me in comments on this matter, we will be glad to accept them. There are comment forms out there on the registration table, if you want to take one of those home with you or give them to your friends or write in your comments, that's fine. If you have questions, you can put those questions in there in the form of a -- on a comment form. But what I would say on that is, unfortunately, we will not be able to answer them after this hearing; but we will answer them on what we call the Responsiveness Summary, which



if you filled in one of these cards, you are going to get one of these Responsiveness Summaries. And Mr. Frost will be sending these Responsiveness Summaries out to everybody who filled out one of these registration cards and providing we can read your address. Sometimes that sometimes happens. But we do try and we do try and, you know, get back to everybody.

And we really do try to respond to the community. It's not in our interest not to respond to the community. We are here.

We are here, as you say, to advise the public, inform the public what's going on. And we try and I know these gentlemen here in the air permit section review all these comments that the public make very, very seriously before they make their decision.

My first question is I just wanted to know what is the reason for this hearing tonight. What is the reason for this meeting? Let me just say the other part of this, the reason that I'm asking, I'm trying to find out if, you know, if it's any validity to it or if it's a waste of time or just what. Because I'm under the impression regardless of what we say this peaking plant is going to be put in North Chicago. Am I right or am I wrong?  
you are definitely wrong.

I was told that it doesn't matter what we as citizens have to say when we come out here because it's a done deal, that you are going to put the plant in anyway. Now, you are saying that's not true?

Okay. That's correct. As we said in our introductory remarks, this project has to get approvals from a number of different entities and governmental bodies. We at the Illinois Environmental Protection Agency deal with the environmental aspects of it. Our question is whether the proposed project would comply with applicable laws and rules governing air pollution. So it's really addressing will this facility be a threat because of its impact on air quality. That's only one aspect of this facility. We could issue a

in fact, based on our review today, that is what we have found.

There may be issues with regard to the project that North Chicago has to find. North Chicago may determine that it's unacceptable for their impacts. And on that basis, they might not give necessary approvals to the project.

**So North Chicago do have that authority?**

Now I'm not fully aware of exactly what the nature of those entities are, but their building permits, their approvals for power line, there may be other aspects of this facility in terms of a host agreement whereby the City of North Chicago can have influence over how this facility would be built if it ever becomes built.

**it's not, it's not a done deal as far as North Chicago is concerned? Because I understand that you have been trying to put these peaking plants in other communities and because you don't have access to the property you are not able to put it in. But the fact that North Chicago is a little bit different because you have access to certain property here in North Chicago, is that right or is that wrong?**

You have asked several questions about the nature of the project. I don't think it's a done deal. There are a lot of things the project has to go through yet. Receiving the permit from the IEPA for the construction permit, the air construction permit, is one of those things. There are many other things that relate directly to the City of North Chicago building permit. There are easements required to get over Foss Avenue with some transmission lines. And we intend to be in compliance with all of the requirements that the village has, North Chicago here, and with the state requirements and other requirements as they might relate to this facility.

With respect to whether there is any involvement by Abbott Laboratory, there has been some. The involvement that Abbott Laboratories has had has been to help us acquire the property, the rights to the property of that Larsen location.

years, they told me, Abbott was in negotiations with those folks to acquire that piece of property. When we identified this particular location as a good location because it had, it met a couple of primary requirements, and that is that the facility would be located where there is a large gas pipe, because we wanted to burn nice, clean natural gas, and that it be close to a transmission line that is capable of taking this quantity of power and distributing it through the system. That occurs only in a few locations around the county and around the whole of Commonwealth Edison service territory. So we found this location. It was very important to us.

We also determined that Abbott had some control of the land. And so we approached Abbott and said we would like to acquire that piece of property for the purpose of building a peaking plant. Now, frankly, Abbott supported us in that. They have had some problems with the quality of the power they have occasionally because they are way out here on the end of that transmission line. And occasionally the power dips out at the end of that transmission line and that can effect their operation. So the fact that we would build a peaking plant here helps them. It helps everybody on the end of this transmission line because it helps to support the power that is available in this area of the county. But that's the extent of their involvement. They have been very supportive of the project because the project will help improve the quality and the reliability of the power they get. They had control of the property, which is why we started talking to them. And they have -- We have not yet acquired the property. But as soon as we receive some of these key permits from the IEPA and from the village, we do intend to acquire the property so that we can build this facility.

Now, I think that answers pretty much all of your questions.

**it was on the news that the state is requesting that, you know, communities don't pass these permits to get these**

research done. Now, this was on the news on the radio. Now, if you are the state, you should know something about that.

**Anybody else hear that on the news?**

I cannot speak to that news report. Certainly the Illinois EPA has not gone out with any such request or policy on that point.

We can probably answer that. The Lake County board last week as part of their legislative packet for the year 2000 asked the state legislature to ask the EPA to delay action on any of the pending peaker plant applications until such time as we can more fully develop siting regulations and other issues to make sure these things are handled more appropriately. Water does not seem to be an issue at this plant, but it certainly is at the one in Zion. So it's not always just air quality that should be considered.

So it appears that it was not the state that was taking this action. It was Lake County asking something of its state legislators and also making a request to the Illinois EPA.

**Do you meet with the council, the fathers of the City; or do you just come out and talk to the people? Do you actually meet with like the mayor and the alderman of the City and the administrators and this kind of thing?**

We send notification to the mayors of the cities, of North Chicago and the cities surrounding. And in cases where they request to meet with us, which there have been times in the past that they have requested that, then we will come up and meet with them just as we would meet with any citizen if they requested us to come up and talk to them and explain to them about a permit. And then we also hold, we open it up on several occasions as we have here tonight for a public hearing so that people can come without necessarily calling us up and asking us to come up and meet with them individually or to talk with them individually over the phone so that they can

I guess that's -- So I will mention the Mayor of North Chicago was here. He didn't request to meet with us personally beforehand. But we have got phone calls from the council from North Chicago requesting information during the past 45 days since we put the notice in the newspaper.

**Well, a meeting like this, say, for instance, like the Mayor ran over here for a little bit, that's not really very fruitful; is it?**

Well, I assume that the Mayor has the information he needs, otherwise he would be asking us for more information.

I mean if the Mayor of North Chicago needs more information from us, all he has to do is request it. Just as if any of you need more information from us, all you have to do is request it.

**Well, I just felt that it probably would be better if the entire council and the mayor met with this group of people here.**